



## MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

### PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x) Health Care Provider ( ) Injured Employee ( ) Insurance Carrier	
Requestor's Name and Address: Twelve Oaks Medical Center c/o Hollaway & Gumbert 3701 Kirby, Suite 1288 Houston, Texas 77098	MDR Tracking No.: M4-05-B019-01
	Claim No.:
	Injured Employee's Name:
Respondent's Name and Address: Texas Mutual Insurance Company 6210 East Highway 290 Austin, Texas 78723-1098 Box 54	Date of Injury:
	Employer's Name: Skinnners Nursery of Houston, Inc.
	Insurance Carrier's No.: 99B0000294718

### PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted operative report, discharge summary, invoices and a position statement. The requestor indicates in their position statement that, "As stated above, our client does not agree with the position of the insurance carrier and is seeking assistance from Medical Dispute Resolution in order to resolve this issue."

### PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Carrier submitted a position statement that supports their reason for no additional reimbursement. "This dispute involves this carrier's payment for dates of service in dispute for which requester charged \$93,846.52 for a four day inpatient stay that were NOT unusually extensive or costly. This carrier reimbursed the requester for four surgical per diem (1,118) per the TWCC Acute Care In-Patient Fee Guideline. The requester was also reimbursed invoice cost plus 10% for the implants."

### PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
08/06/04-08/10/04	Surgical Admission	I	\$0.00

### PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

28 This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401©(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the information provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." The provider submitted an operative report indicating that a posterior lumbar fusion L4-L5 and L5-S1 was performed, the patient was taken to the recovery room in satisfactory condition and no complications were noted. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The carrier made reimbursement for the 4-day stay in the amount of \$20,788.30.

The requestor billed \$44,493.00 for the implantables.

The requestor submitted an invoice indicating the cost for the implantables were \$14,833.00.

Therefore, reimbursement based on per diem is \$4,472.00(4 x \$1,118.00) and reimbursement for the implantables at cost plus ten percent is \$16,316.30 (\$14,833.00 x 110%). Per diem for the 4-day stay is \$4,472.00(4 x \$1,118.000) + \$16,316.30 for the implantables = \$20,788.30, leaving no additional reimbursement recommended.

Based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401©, we find that the health care provider is not entitled to additional reimbursement.

**PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION**

28 Texas Administrative Code Sec. 134.401 ©(6).

**PART VII: DIVISION DECISION AND ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. 413.031, the Division has determined that the requestor **is not** entitled to additional reimbursement.

Ordered by:

Michael Bucklin

11/21/05

Authorized Signature

Typed Name

Date of Order

**PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW**

Appeals of medical dispute resolution decisions and orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**